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TAGS: PGOV PREL GM

SUBJECT: BECK'S RISKY GAMBIT DIVIDES SPD, STRENGTHENS MERKEL

REF: A. BERLIN 0137

- 1B. FRANKFURT 0447
- 1C. HAMBURG 0007
- 1D. 07 HAMBURG 065
- 1E. 07 BERLIN 2186

Classified By: DCM John Koenig for Reasons 1.4 (b) and (d)

11. (C) Summary: SPD Chairman Kurt Beck's declared opening to cooperation with the Left Party in Hesse and the West threatens to divide the SPD, potentially playing into the hands of Chancellor Merkel's CDU. By forcing through a decision to allow the SPD's Andrea Ypsilanti to be elected as Hesse minister-president with the votes of Left Party legislators, Beck has broken a major campaign promise. Speculation is rampant that Beck has seriously compromised his claim to be the SPD's chancellor candidate for the 2009 national elections and even damaged the SPD's prospects in those elections. The CDU has seized on Beck's new course to consolidate its position in the political center by portraying the SPD as cozying up to the former communists. Meanwhile, the CDU also is trying to widen its state-level coalition options by courting the Greens as a coalition partner in Hamburg. End summary.

Beck's Risky Maneuver

12. (C) A bitter and personally nasty election campaign in Hesse and the resulting virtual dead-heat between the CDU and SPD have led to a political stalemate, with neither of the preferred coalition options (CDU-FDP or SPD-Greens) commanding a majority. To break the stalemate and unseat CDU Minister-President Koch, SPD Chairman Beck and Hesse SPD leader Andrea Ypsilanti agreed, without first consulting the rest of the SPD leadership, to accept the Left Party's offer of support for an SPD-Greens minority government at the opening of the next state legislative term April 5. Some observers view Beck's proposal as an attempt to play hardball, using the threat of an SPD-Greens coalition supported by the Left to pressure other parties (particularly the FDP, which has ruled out partnership with the SPD) into coalition talks. However, FDP Election Strategist Helmut Metzner told Poloff that "We do not want to enable the SPD and Greens." Metzner added that "as the five-party system solidifies, the FDP clearly wants to remain on the same side of the fence as the CDU."

Deep-Seated Doubts in the SPD About Beck's Approach

13. (C) Beck's proposal has caused turmoil within the SPD, and members of the party's centrist wing worry that Beck's abrupt about-face has hurt the party's credibility. Hamburg SPD

leader Michael Naumann claimed that by announcing his proposal several days before the February 24 Hamburg election, Beck cost the SPD two-to-three percentage points in that election. SPD Bundestag caucus leader Peter Struck, Finance Minister Peer Steinbrueck, and the centrist "SPD Network" and "Seeheimer Circle" continue to publicly warn against accepting the Left Party's support. "Seeheimer" leader Johannes Kahrs told Political Counselor and Poloff that, from a strategic perspective, "the SPD would lose more votes from the center than it would gain from the left" if the SPD shifted toward the Left Party. Meanwhile, Beck took ill February 25, and disappeared from public view; he has cancelled all appointments for the week of March 3 as well. His absence adds a surreal element and fuels in part the public drama among senior SPD figures.

¶4. (C) SPD parliamentarian Markus Meckel told Poloff that Beck was "stupid" to stir up this debate prior to the Hamburg election. He added that he considered Beck an unsuitable chancellor candidate even prior to this episode. In his view Foreign Minister Frank-Walter Steinmeier would be the better candidate, but Meckel judges that Steinmeier will remain in the background for now to avoid further divisiveness. Meckel added that a four-page letter from Naumann to Beck, in which Naumann harshly criticized the SPD Chairman, "was leaked to the press by someone from within the SPD national executive committee, which proves that someone in the top party leadership is trying to damage Beck." There may even be a measure of sabotage at play -- Hesse SPD deputy caucus leader Juergen Walter, a centrist, confided to CG Frankfurt political specialist the desire of centrists in the Hesse SPD to go along with Ypsilanti's plan in hopes that her new government would fail, forcing the leftist Ypsilanti to give up leadership of the Hesse SPD. (Walter himself would take over, in this scenario.)

CDU Opens to the Greens

¶5. (C) The CDU has responded to Beck's proposal by strengthening its criticism of the SPD and the Left Party and reiterating its own claim to the political center (reftel E).

The CDU is casting the SPD as a party that has sacrificed its credibility for the support of the former communists. Although the viability of the national Grand Coalition is not immediately threatened by Beck's proposal, CDU foreign policy advisor Markus Lackamp told Poloff that "it will certainly be harder to govern together" with the SPD.

¶6. (C) The state-level elections in 2008 have highlighted the difficulty, in a five-party system with persistent support for the Left Party, of forming the coalitions that have been a staple of Germany's post-war experience: center-right coalitions between the CDU and FDP, or center-left coalitions between the SPD and either the Greens or the FDP. The CDU is hoping to blaze a new trail by forming a coalition in Hamburg with the Greens in what would be a centrist coalition with a progressive social and environmental flavor. The CDU's turn towards the Greens was once unthinkable, but senior Green Party officials in Hamburg and at the national level seem confident a coalition may successfully be established. If a CDU-Greens coalition is formed in Hamburg, this could be seen as a model for such a coalition on the national level at some future date (septel).

Comment: Will the SPD Lose the Center to the CDU?

¶7. (C) Beck's strangely timed and highly controversial opening to the Left Party can only be regarded as a grave mistake -- the question now is whether it was fatal. He may have believed the SPD could defend its ground in the political center while also opening up options with the Left Party. Indeed, there appears to be, at the moment, a slim structural majority on the left, if one sums the strength of the SPD, Greens, and the Left Party. But this left-of-center majority may still be chimerical, because of the deep

divisions in the SPD (and possibly among the Greens) about cooperating with the Left Party, and Beck may have overestimated the internal cohesion of the SPD. Centrist SPD voters, like their leaders in the party, could find cooperation with the post-communists distasteful enough to shift their support to other parties (or stay home on election day). Merkel and the CDU will strive to use this opportunity to consolidate the center. Beck's viability as the SPD's chancellor candidate and party leader (always a matter of doubt) could hinge on his ability to contain the damage and re-focus public attention on the SPD's core themes. Whether the SPD's troubles make it more -- or less -- likely that the SPD will try to campaign on foreign policy themes with an anti-U.S. tinge is an open question that we will continue to watch closely. End comment.

¶8. (U) This message was coordinated with ConGens Frankfurt and Hamburg.
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